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CAPTION HEADING:

Circle Tree Owners Association Rules and Regulations

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CIRCLE TREE OWNERS ASSOCIATION RULES AND REGULATIONS

The Homeowners Association of Circle Tree offers many advantages to the homeowner. At the same time, we have to impose restrictions. These restrictions are not to be an inconvenience or invade your freedom, but are a means of maintaining the harmony of your community.

AIR CONDITIONING UNITS:

The CC&R's 12.0 define maintenance of air-conditioning units and any portion thereof, as the sole responsibility of the Unit's Owner.

Unit Owners are required to install new pressure treated cedar lumber supports under their air-conditioning units to prevent roof leaks. Air-conditioning lines must be properly sealed. While the Association is responsible for roof maintenance, it is the owner's responsibility to ensure that the AC and electrical lines that serve their unit are maintained and properly sealed by a professional.

Any air-conditioning unit that has been installed improperly, that has decayed wooden supports or that is leaning or inaccessible for roof maintenance shall be deemed in violation. Unit Owners are solely responsible for yearly inspections of their air-conditioning system and their supporting mounts. Any leak caused by the improper installation or lack of maintenance is the owners responsibility.

Unit Owners are required to contact the management office 24 hours prior to and within 24 hours after the replacement of any air-conditioning unit for inspection. Unit Owners are solely responsible for any damages or roof leaks due to improperly mounted air-conditioning units.

It is the Unit Owners sole responsibility to annually inspect and maintain air-conditioning units and their supports. Any air-conditioning unit that is in disrepair, creates a fire hazard or is excessively loud shall be deemed in violation.

Any and all damage(s) caused to the Association's roofing system due to an improperly installed air-conditioner will be the Unit Owners sole responsibility to repair. Any cost of said repairs shall be assessed to the Unit.

The use of window or wall mount air-conditioning units is strictly prohibited. Owners are never to penetrate the wall of any building to install air-conditioning units. Air-conditioning units are never to be installed on patios, balconies or walkways.

AIR CONDITIONING UNITS / ROOFS:

All owners will notify the Association before any contractor enters upon the roof(s) for satellite or air-conditioning repairs. Homeowners, tenants, guests or invitees are prohibited from entering the roof unless they are licensed, bonded and insured contractor. The Association is not responsible for any personal property as a result of a roof leak. Homeowners, tenants, guests and invitees are solely responsible for carrying insurance for any loss of personal property.

AUTO RESTRICTIONS AND PARKING:

No vehicle shall be kept on the property that is inoperable; abandoned, impedes the progress of other vehicles, blocks the dumpster, is on jacks or is leaking oil or other fluids, is parked in fire lanes, or is in unacceptable condition, (i.e., broken windows, body damage).

Motor vehicles must display current registration (no expired tags) and must be in operating condition. Tires must be properly inflated and vehicle(s) must be free of dust and cobwebs. Washing of vehicles in parking areas is prohibited.

All vehicles must be parked nose first (no backing into spaces). All vehicles parked on the property, including visitors, must display a Circle Tree resident or visitor parking permit.

Residents, tenants and renters must properly register their vehicles with Circle Tree Management. Boats, campers, RV's and other recreational vehicles are strictly prohibited from parking on the property. Semi trucks and their trailers are strictly forbidden to enter or park on the property. Vehicles must occupy only one space (no double parking) and vehicles must be parked within the lines of the parking space.

Trailers used for hauling or delivery must be separated, blocked and placed in a single space. No trailer is to remain on the property for more than 24 hours. Trailers must have current license plates and will not require a permit.

No parking is allowed in fire lanes, on sidewalks or any other common area of the property. Each Unit has one reserved, covered parking space. Use of another's space is strictly prohibited. Parking permits and visitor permits are not to be loaned to other Units. Parking permits and visitor permits are for the exclusive use of your Unit.

Mechanical repairs on vehicles are strictly prohibited on the property, with the exception of windshield replacements, tire change, jumpstart or battery replacement. Any vehicle inoperable or in a state of disrepair will be deemed abandoned and towed at owner's expense. Nothing shall be erected, placed or stored in a parking space. Parking spaces are for registered motor vehicles only. Vehicles parked on the Association property cannot be used for storage. Any vehicle that is deemed unsightly is subject to towing at owner's expense.

Alcohol consumption is disallowed in the common areas including the parking lots. Loitering in the parking lots is strictly prohibited. All parking lots are to be used only for the purpose intended.

Any member who is delinquent in dues and not a member in good standing (3 months or more behind in dues) are subject to suspension of parking privileges. Parking lots, including covered spaces, are a Limited Common Element that the Association maintains and repairs.

For safety the maximum speed limit in the parking lots is 5 MPH and is strictly enforced. All Owners, residents, tenants and their guests must observe and obey all traffic signs. Any Owner, resident, tenant or their guest who displays excessive speeds or careless driving is subject to fines or suspension of parking privileges for up to thirty (30) days.

Any violation of the aforementioned parking rules and regulations are subject to the following: fines, suspension of parking privileges or towing at owners expense.

1st offense \$50 fine and/or towing

2nd offense \$100 fine and/or towing

3rd offense \$150 fine and suspension of parking privileges (30 days)

BALCONIES, PATIOS AND WALKWAYS:

The CC&R's define Patios and Balconies as a Limited Common Element (6.2) and the Owner is responsible for the maintenance thereof. No laundry, swimming attire, towels or other unsightly items shall be hung or displayed on balconies, patios or walkways in view of other residences or from the roadways.

All items must be must be kept below the balcony or patio walls. No such items are to be visible from any common area. Blinds on balconies must be in acceptable condition and neutral in color. (Additional restrictions regarding blinds and window coverings are detailed in this document under Windows and Coverings.) Barbeque grills, fire pits and hibachis (gas, propane, electric, wood or charcoal fueled) are strictly prohibited on balconies, patios, walkways or any other Common Element.

Wind chimes or similar devices are permitted on the property only until an affected resident files a written complaint to management. All boxes, cleaning equipment, furniture, garbage cans, ladders, etc. must be kept in the dwelling or in the patio store room.

Balconies, balcony walls and ceilings must be in good condition (i.e., no chipped or peeling paint, rotted wood, etc.) Pets, such as birds, cats, dogs or other animals, are not to be kept or fed in balcony or patio areas. Written notice of the violation regarding Balconies, Patios or Walkways will be mailed to the Owners last known address on file with the Association.

Failure to correct the violation(s) within thirty (30) days will result in the following fines: For Violations not corrected within thirty (30) days, a \$50 fine shall be assessed. Fines shall increase in increments of \$50 each thirty (30) days until the violation has been corrected.

Any modification(s) to balconies, such as the installation of windows, requires an Owner to submit an Architectural Change Form to the Board or Management for final approval.

BALCONY LIGHTS/PATIO LIGHTS:

Owners are to only use 60 watt CFL or 60 watt equivalent LED soft white light bulbs in their outdoor porch lights. Daylight bulbs, colored bulbs and decorative bulbs are strictly prohibited.

BARBEQUE & RAMADA AREAS:

Barbeque and Ramada areas are on a first come, first serve basis. The number of residents and their guests are limited to six (6) persons (per Unit) at any given time. The consumption of alcoholic beverages in any common areas, including the Barbeque and Ramada areas is strictly prohibited.

Residents and their guests must refrain from loud noise and vacate the areas by 10:00 PM. Boom-boxes or loud radios are not permitted in any Common Element, including pool, barbeque and Ramada areas. Excessive noise that disturbs other residents will result in a \$50 noise violation.

Grills, tables and areas must be cleaned and left neat and orderly after each use. Hot charcoal must never be placed in trashcans; please use the metal charcoal buckets provided. Grills must be cleaned after each use. Failure to clean area after use will result in a \$50 fine being assessed to the Unit.

BICYCLES:

All bicycles that will be attached to the Association's bike racks must be registered with the Association. The Association will need the make, color and serial number of the bicycle. All bike owners are encouraged to register their bicycles with the Mesa Police Departments online Bicycle registration program http://www.mesaaz.gov/police/BicycleRegistration.aspx. Bicycles are never to be chained to fences, trees, gates or stairwells. The Association is not responsible for any bicycle that is lost, stolen or damaged.

BUSINESSES:

No automotive- or construction-related businesses can be conducted from or on Circle Tree property. For consideration of other businesses/activities, residents may apply to the Board of Directors or the Management.

CIRCLE TREE - VOLUNTARY TENANT INFORMATION:

The Association requests that all owners of rental units provide the following documentation prior to move in. The \$25.00 rental fee is waived for those who participate.

- (1) Signed copy of lease
- (2) Copies of photo ID for all occupants over the age of eighteen (18)
- (3) Signed copy of the Crime Free Lease Addendum
- (4) Registration form
- (5) Copy of vehicle registration
- (6) Criminal Background Check for all occupants over the age of eighteen (18)

A tenant is defined as any person who occupies a Unit in which the Owner lives separately from the property and regardless if they pay rent or not for the use of such property. (Family and non-family members are also defined as tenants, unless they live in the Unit with the Owner.)

CRIMINAL OFFENSES AND MANDATORY FINES:

Class I

Activities on Circle Tree Property such as disturbing the peace, fighting, harassment, intimidation, property damage, public drunkenness, vandalism, after notice and opportunity to be heard on the matter:

- 1. First offense \$250
- 2. Second offense \$350
- 3. Thereafter Will double with each reoccurrence

Class II

Activities on Circle Tree Property such as assault, burglary, child abuse, domestic violence, DUI, failure to abide by the requirements of the Circle Tree Crime Free Program, minors in possession of alcohol, possession of illegal drugs, possession of stolen property, or theft, after notice and opportunity to be heard on the matter:

- 1. First offense \$400
- 2. Second offense \$450
- 3. Thereafter Will double with each reoccurrence

Class III

Activities on Circle Tree Property such as aggravated assault, arson, brandishing a weapon, crime related to gang activity, discharge of a firearm, distributing or manufacturing illegal drugs, weapons, kidnapping, etc after notice and opportunity to be heard on the matter:

- 1. First offense \$500
- 2. Second offense \$550
- 3. Thereafter Will double with each reoccurrence

Owners of rental properties are responsible for abating criminal activities.

CIRCLE TREE VIOLATION FEE/FINE APPEAL PROCESS:

To appeal, Owners must appear and state their case at the next regular open session meeting of the Circle Tree Board of Directors after written notice has been sent to the last known address on file with the Association.

If you wish to appeal any other violation; you have ten (30) days to send a written response to the Circle Tree Association by certified mail. After receiving your response, you will be given an opportunity to address the Board at a regular meeting (See: Appeal Process section of FINES in this document.) If you have any questions or comments, please contact the management office at (480) 655-0311 or by e-mail at circletreeoffice@yahoo.com.

CLUBHOUSE RENTAL:

The clubhouse may be rented by contacting the Circle Tree office which will provide rates, deposits and applicable rules. Owners are solely responsible for any damages to the clubhouse caused by their guests or lessees. User is responsible to clean and remove all trash after use. Failure to cleanup clubhouse after rental will result in forfeiture of cleaning deposit.

COMMON AREAS:

Nothing may be put on or attached to any common area without prior approval of the Board of Directors or Management of Circle Tree. All amenities and courtyards close promptly at 10:00pm. No furniture, chairs, ashtrays or personal items may be placed on walkways. There is to be no loitering on the walkways, in parking lots or in stairwells after 10:00pm.

The Circle Tree Owners Association requires each Owner to help maintain the property by insuring that guests, visitors and tenants do not litter the community grounds. Any such infraction (littering) is subject to fines being assessed to the Unit as detailed in the FINES section of this document.

Circle Tree Owners Association is a privately-owned condominium complex and is not an apartment complex. Respect for each resident's rights to peace and quiet is essential. Infringement of neighbor's rights to peace and the quiet enjoyment of their residence (including but not limited to barking dogs, loud radios, stereos, televisions etc.) is unacceptable. Units in violation of these rules are subject to fines being assessed to the Unit as detailed in the FINES section of this document.

Brandishing weapons is strictly prohibited on the premises, as are the use of BB guns, slingshots and bows and arrows. Throwing of bottles, cans, stones or other items that could potentially endanger individuals or property is prohibited.

There is to be no climbing fences, trees, gates or walls. No throwing of bottles, cans, stones or other projectiles. No tampering with sprinkler heads or bubblers. No occupant is allowed in the rock terraced areas due to the irrigation system.

No climbing on roof areas or running on second and third floor walkways. Only sidewalk chalk may be used on sidewalks provided it is removed before vacating the area.

Any such infraction(s) is subject to fines being assessed to the Unit as detailed in the FINES section of this document.

COURT(S) USAGE: Basketball, Racquetball & Tennis Courts

Only owners, residents, occupants and their guests are allowed use of racquetball, basketball and tennis courts. If others are waiting, members of the same party must use one (1) court. No glass containers or alcoholic beverages are allowed in any Court. Residents and their guests must refrain from loud noise and vacate courts by 10:00 PM. Owners, occupants and their guests must use the court(s) for the sole purpose the court(s) were designed for.

DOORS:

All entrance doors to the Unit are the sole responsibility of the homeowner to maintain. Doors may not have faded, chipped or peeling paint. Please contact the Circle Tree office for paint colors. All Unit entrances must have a peephole and a deadbolt lock with no less than two and one-half inch strike plate screws installed.

ELECTRICAL BOXES & METERS:

Interior and exterior electrical meters, boxes and breakers are the sole responsibility of the Unit Owner. In the event that an exterior electrical box is deemed faulty or needs replaced, the Owners sharing the electrical box will share equally in the cost of the repair or replacement.

FENCES, GATES AND WALLS:

No owner, tenant, occupant, visitor or guest shall ever climb upon or over any fence, gate or wall. No owner, tenant, visitor or guest shall ever prop open any gate, even for a brief period of time. Residents are required to make sure all access and locked gates are secured and locked behind them.

FINES:

Unless the fine amount is specifically stated, the following fines may be assessed for all other violations of the Rules and Regulations of the Association:

First offense \$50

Second offense \$100

Third offense \$150

Fines shall increase by \$50 increments thereafter.

Appeal process:

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the "RIGHT OF APPEAL".
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing by certified mail within ten (30) days of the date of the violation notice.
- Appeals shall demonstrate extenuating circumstances which require deviation from the CC&Rs and/or guidelines.
- Appeals shall include all pertinent backup information to support the existence of the *extenuating circumstance*.
- All decisions of the Board of Directors are FINAL and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board of Directors and shall be considered DENIED.
- The Owner appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The Owner who is appealing will be asked to state their case and present any applicable documentation.
- Each Board Member will have the opportunity to ask the Owner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board of Directions will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Owner within seven (7) working days.

FIREWORKS:

All fireworks are strictly prohibited on the Association's property. No bottle rockets, sparklers, smoke bombs or anything else that is deemed as a firework or that ignites shall be used on the Association's property.

FLAGS:

Owners may display the following flags: The American flag or an official replica of a flag of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, POW-MIA, Arizona State flag, The Gadsden flag, and Arizona Indian Nations flag.

All flags must be displayed in a manner that does not impede the traffic of pedestrians. Any Unit Owner may display approved flags by affixing flag holders to the frame of the front door to the Unit or inside the patio area, taking caution and care to ensure flags and holders are not creating a hazard to pedestrians. Second and third floor Units may also display flags on the inside of their balconies.

Flags are not to be displayed in windows, affixed to common area building walls, exterior balcony walls, roofs, draped or protruding over balconies or displayed by hanging from or over balcony walls. All flags must be displayed by using an appropriate flag holder or stand in patio and balconies. No flag, holder or stand shall block entry or egress to any Unit nor hinder emergency service workers.

FLOORING:

Hardwood flooring such as wood and tile are not permitted in the living areas on the 2nd and 3rd floors. FHA approved carpet and pad must be installed with the exception of the kitchen and bathrooms. Violations not corrected within thirty (30) days may be subject to a \$50 fine being assessed; fines shall increase in increments of \$50 each thirty (30) days until the violation has been corrected.

FOR SALE, FOR RENT, FOR LEASE AND OPEN HOUSE SIGNS:

Owners are permitted indoor or outdoor display of a For Sale sign and a sign rider by a Unit Owner on that Owner's property. Including a sign that indicates the Unit Owner is offering the property for sale by owner. The size of a sign offering a property for sale shall be in conformance with the industry standard size sign, which shall not exceed eighteen by twenty-four inches, and the industrial standard size sign rider, which shall not exceed six by twenty-four inches.

Temporary Open House signs are permitted however, temporary Open House signs are prohibited on the Common Elements.

Owners and their agents are permitted to display a For Rent or For Lease sign on or in the Owner's Unit. For Lease or For Rent signs shall not be any larger than the industry standard size sign of eighteen by twenty-four inches and displayed on or in the Unit Owner's property.

GATE/COMMUNITY ACCESS KEYS:

Owners, tenants, agents and invitees are strictly prohibited from duplicating any Association gate key. Duplicate gate keys can be purchased at the office at the going rate. Any owner, occupant or agent who duplicates an Association gate key is subject to a \$150.00 fine.

Gate Keys are not to be loaned to other Units.

HOLIDAY DECORATIONS:

From October 1st - January 1st, residents may have holiday decorations on their balconies, windows and doors. No decorations shall be offensive or shall be placed in any common areas of the property. Decorations may not be placed or hung in the flower beds, on bushes, trees or staked into the ground. No decorations shall ever be placed on the walkways, the walkway ceilings, roof, eves, stairwells or railings to any buildings. Extension cords must be weatherproof and shall not be draped across walkways. Nothing is ever to be attached to the stucco portions of the buildings. The Association will remove any decoration that it deems offensive, or is improperly attached to any of the common elements or landscape without notice. The Association is not responsible for stolen or damaged decorations. Any item placed in or on a common area that is deemed a hazard will be removed without notice. All Holiday decorations must be removed by January 10th.

INSURANCE & LIABILITY:

The Association does not provide security for Owners, occupants or guests. Circle Tree Owners Association is not responsible for injury sustained through the acts of other Owners, tenants or anyone else on the Association property. Owners and tenants are required to obtain insurance for any perceived danger to property or person.

JACUZZIS AND SWIMMING POOLS:

All persons use pool and other water features at their own risk. Circle Tree Owners Association is not responsible for injury or death. No Lifeguard is on duty at any time.

Persons under the age of twelve (12) years or younger must be accompanied by an adult eighteen (18) years of age or older and who is responsible for their behavior and safety. Any incontinent person(s) may use the swimming pool or jacuzzi only when wearing properly fitted swim diapers or pants. No throwing of foreign matter, rocks, stones or debris. Laundry detergent or soaps of any types including bubble bath are not allowed in the pools or Jacuzzis.

No street clothing allowed in any of the pools or Jacuzzi's. Proper bathing suits are required at all times while in the water. Hair curlers and pins must be removed before using the pool or Jacuzzi.

No tampering with any pool equipment, safety devices, filters or lights. Safety equipment is for emergencies only and not to be used for any other reason.

Pool furniture is not to be removed from the pool areas or used in the pools. Food and beverages must be confined to the tables. Absolutely no alcohol consumption while at the pool area. No intoxicated persons shall use any pool or water feature.

No bottles, glass of any type or any other breakable items are allowed anywhere in the pool areas.

Pool devices such as inflatable balls, rings, flotation devices, rafts that are designed for pool use, are permitted in the pool area, until such a time they become a nuisance to other residents.

Pool hours are between 7:00 AM and 10:00 PM pool access gates must be closed and locked behind you. No propping gates open, even for a brief period of time. Residents are required to make sure all pool fences are secured upon departure from the pool areas. Climbing pool fences to gain access is strictly prohibited.

Residents are to obey all rules posted on pool signs including, but not limited to,: No diving, running, horseplay etc. No diving is allowed in any pool or Jacuzzi. A maximum of eight (8) persons per Unit are allowed at the pool/cabana areas at any given time. Gate Keys are not to be loaned to other Units.

Pets, such as dogs or cats, are not allowed in the pool, Jacuzzi or pool area except for an assistive animal. No loud or boisterous play, obscene language, roughhousing or loud radios, stereo, boom boxes are allowed in the pool or Ramada areas. There is to be no skateboarding, biking, rollerblading, spitting and/or excessive splashing in the pool areas.

Any pool shall not be used during repair or maintenance or at the discretion of management.

Any such infraction(s) is subject to fines being assessed to the Unit as detailed in the FINES section of this document.

JURISDICTION AND VENUE:

In the event management initiates legal action against the Owner or Owner's tenant, Owner and tenants consent to venue in a justice court precinct within Maricopa County. Owner and Tenants waive any objection to any such venue chosen by the Circle Tree Owners Association or management. So the Association may keep any claim desired in the justice court system, Owner and Tenants agree that in any legal proceeding brought by the Owner's Association or management against Owner or Tenant, the Association may, at its discretion allege the rental value of the Owner's Unit is less than the actual rental value periodic rental value Tenant is charged as set forth in any Lease Agreement. As Homeowner Association Laws are continuously changing, Arizona Law will prevail.

LANDSCAPE:

Residents are forbidden to plant anything in any common elements of the property. No Resident shall ever change, alter or modify any portion of the common elements of the property. Residents are prohibited from digging, watering or tampering with any of the Association's landscape or irrigation. Unless approved by the Associations Landscape Committee, Board of Directors or Management, no resident shall place or attach anything in or to the common elements such as chairs tables, potted plants, plaques, statues, garden gnomes, fencing or trees, etc. A \$200 fine shall be assessed for any violations of the aforementioned and after written notice has been sent to the owner or managing agent. Any item placed in, attached to or on a common area that is deemed a hazard by the Board or Management will be removed without notice.

MOVING INTO OR OUT OF THE ASSOCIATION (Time Restrictions)

New residents, transferring tenants and homeowners are strictly prohibited from moving into or out of any Unit in the community before 7:00 AM and after 10:00 PM.

OWNER DUES:

All assessments are due no later than the last day of each month. Any unpaid balance will result in a late fee of fifteen (\$15) dollars being assessed and any assessment not paid within thirty (30) days after the due date shall bear at the rate of twelve (12%) per annum. A service charge will be added for returned checks, amended from time to time as bank fees may vary.

Any Owner three (3) months or more behind in dues are no-longer considered a member in good standing. Members who are not in good standing are subject to suspension of all privileges and amenities that the Association maintains including, but not limited to,: Parking, Pools, Jacuzzi's, Clubhouse or any other Common Limited Element(s) that the Association maintains.

Members who are three (3) months or more in arrears are subject to a lien against the property, garnishment of wages, and all collection and legal costs.

PEST CONTROL:

The Association has a regular pest control service for controlling insects in the common areas. If a resident finds insects within their Unit, the Owner will need to contact a licensed pest control company. Owners are solely responsible for pest control services inside their Units, including, but not limited to,: ants, bedbugs, roaches, flies, mosquitoes, termites, bees, rodents etc.

In the event that an Owner is negligent in controlling insects, rodents or other pests inside their Unit, the property manager may enlist the services of the Association's contractor after the Owner is in violation of pest control requirements for thirty (30) days or longer.

The HOA will consider this an emergency situation and may execute rights to forced entry to the property. All expenses incurred will be the sole responsibility of the Unit Owner (including costs for pest control, locksmiths, etc.) and the Board may also issue fines for violating pest control rules.

PETS:

Owners are restricted to one (1) commonly accepted domestic pet per Unit (i.e., dog or cat). No pet shall exceed the twenty (20) pound weight limit. No pet shall run free of a leash or be tied to any portion of the common areas or doors. No feeding pets or other animals on the common grounds. No owner, tenant, guest or invitee shall bring any pet onto the property which exceeds or will eventually exceed the twenty (20) pound weight limit of the Association. Dog owners are required to immediately cleanup after their pets. Any animal displaying vicious behavior must be removed from the community. Noise from pets, especially after 10 PM, is not allowed. For our policy on assistive animals under the Fair Housing Act, please contact management.

Pet owners must walk their dogs to the approved pet stations. Dogs are not allowed to be walked in the courtyard areas or grass. Violations of the aforementioned pet rules and regulations are subject to fines being assessed to the Unit as detailed in the FINES section of this document.

RECYCLE BINS:

Residents are encouraged to utilize the blue recycle bins. Residents are prohibited from throwing unsorted household garbage in the recycling bins. Residents are also prohibited from digging, rummaging or removing anything from the recycle bins. Any resident found rummaging, digging, removing items or dumping household garbage into the recycle bins is subject to a \$200 fine.

REGISTRATION OF OCCUPANTS:

All occupants, owners, tenants and lessees must be registered with the Association within 15 days of occupancy. Failure to register with the Association will result in a \$15.00 fine.

RENTAL AND OWNER OCCUPANCY RESTRICTIONS:

1) The Association prohibits the occupancy and/or residency of any level two or level three sex offender(s) who are required to be registered pursuant to A.R.S. section 13-3821 and who are classified as level two or level three offenders, and regardless if they own, rent, lease or share/room their unit with such offender. In other words, all level two and level three sex offenders are strictly prohibited from ever occupying any Unit within the Association. Owners are required to perform reliable background checks on all tenants. Owners must provide enough information to affect a criminal background check before occupying a Unit in the Association.

2) The Association prohibits the occupancy and/or residency of any convicted felon(s) whose conviction(s) are less than 7 years and regardless if they own, rent, lease or share/room their unit with such felon. In other words, no convicted felons whose convictions are less than 7 years old shall ever occupy any Unit within the Association.

3) Section 17.1 FIRST AMENDMENTS TO THE DECLARATION OF THE HORIZONTAL PROPERTY REGIME AND DECLARATION OF THE COVENANTS CONDITIONS AND RESTRICTIONS FOR CIRCLE TREE CONDOMINIUMS is hereby clarified:

• No resident shall cease their occupancy if they are on vacation, on military leave, are a seasonal resident or hospitalized for more than ten (10) consecutive calendar days.

Violation(s) of the Rental and Owner Occupancy Restrictions will result in a \$250.00 fine each thirty (30) days until the restricted person vacates the Unit.

In accordance to section #17 of the Covenants, Conditions and Restrictions, NO owner shall ever use their unit for transient/hotel purposes. Each lease on a rental unit shall be for 30 days or longer. Any unit owner found in violation of this restriction shall be assessed a fine of no less than \$150.00 per day.

RENTAL UNIT FEE:

A \$25.00 fee will be charged for each new tenancy on rental units. The owner, or their agent, will have fifteen (15) days, after receiving the postmarked request, to pay the \$25.00 Unit rental fee (paperwork). The Association does not charge a rental fee (paperwork) for the renewal of a lease. After notice to the owner, or their agent, a \$15.00 fine will be assessed for any missing or incomplete paperwork. This fee is waived for those who voluntarily submit the requested tenant information paperwork prior to tenants move in. Parking permits, gate keys, mailbox keys or pool permits will not be issued to any owner, occupant or resident until they have registered with the Association.

ROOFS:

All owners will notify the Association before any contractor enters upon the roof(s) for satellite or air-conditioning repairs. Homeowners, tenants, guests or invitees are prohibited from entering the roof unless they are a licensed, bonded and insured contractor. The Association is not responsible for any personal property as a result of a roof leak. Homeowners, tenants, guests and invitees are solely responsible for carrying insurance for any loss of personal property.

RULES REGARDING THE PAYMENT OF THE ASSOCIATION'S INSURANCE DEDUCTIBLE:

- Except as set forth in paragraph 5, below, if damage(s) occurs solely to one Unit, the Owner of the Unit shall be
 responsible for payment of the insurance deductible in full. In the event that the cost for such repair, replacement, or
 restoration to such Unit is less than the insurance deductible, the Owner shall be responsible for full payment of the cost
 for repair, replacement, or restoration thereof, unless the damage(s) was caused by another Owner's negligence or
 actions.
- 2. Except as set forth in paragraph 5, below, if damage(s) occurs to more than one Unit but not to the Common Elements, the deductible shall be prorated based on the percentage of damage caused to each Unit. In the event that the cost for such repair, replacement, or restoration to such Units be less than the insurance deductible, the Owners of the Units affected shall be responsible for full payment of the cost for repair, replacement, or restoration thereof, unless the damage was caused by another Owner's negligence or actions.
- 3. Except as set forth in paragraph 5, below, if damage(s) occurs to more than one Unit and to the Common Elements, the deductible shall be prorated based on the percentage of damage caused to each Unit and the damage caused to the Common Elements. In the event that the cost for such repair, replacement, or restoration to such Unit(s) and the Common Elements is less than the insurance deductible, the cost for repair, replacement, or restoration thereof, shall be governed by the Declaration.
- 4. Except as set forth in paragraph 5, below, if damage(s) occurs solely to the Common Elements, the Association shall pay the deductible unless the damage was caused by an Owner's negligence or actions. In the event that the cost for such repair, replacement, or restoration to the Common Elements is less than the insurance deductible, the cost for repair, replacement, or restoration thereof, shall be governed by the Declaration.
- 5. If the negligence or actions of the Owner (or the Owner's residents, tenants, or guests) causes the damage, the Owner shall be responsible for the full amount of the deductible. In the event that the cost for such repair, replacement, or restoration to a Unit or the Common Elements is less than the insurance deductible, the Owner shall be responsible for full payment of the costs thereof.
- 6. The Board shall determine the amount of deductible, or cost incurred if the amount is less than the deductible to be paid by each party. If an Owner is required to pay a deductible, or cost incurred if the amount is less than the deductible, related to the repair of any Unit or Common Elements other than the Owner's Unit, the Association shall charge the Owner for the cost of the deductible, or cost incurred if the amount is less than the deductible. Any such costs shall be assessed exclusively against the Owner's Unit, such assessment shall constitute a lien against the defaulting Owner's Unit and may be collected in the same manner as assessments.
- 7. If damage is caused to the Common Elements that is not covered by insurance, and if such damage was caused by the negligence or actions of the Owner, or an Owner's residents, tenants, guests or household pets, the Association shall charge the Owner for the cost to repair such damage, which cost shall be paid by the Owner, upon demand, to the Association. Any such cost shall be assessed exclusively against the Owner's Unit, such assessment shall constitute a lien against the defaulting Owner's Unit and may be collected in the same manner as assessments.
- 8. If damage is caused to one Unit by another Unit, the Owners of the Units involved shall be responsible for determining which is responsible for paying for the damage and paying for any deductible, or cost thereof if less than the deductible. The Association does not intend to get involved in disputes between Owners regarding damage.
- 9. Each Owner needs to be aware of the amount of the Association's insurance deductible so that the Owner carries proper insurance coverage to meet any gaps in insurance coverage. Each Owner should check with his insurance carrier to ensure that his policy will cover the cost of the Association's insurance deductible.

RULES REGARDING MOLD AND MOLD REMEDIATION:

1. As mold is not covered under the Association's insurance policy, the Owner of the Unit is responsible for all remediation of mold that occurs within a Unit. The Owner is also responsible for remediating any mold to the Common Elements or any Units if the damage is caused to either the Common Element or Units by the act of neglect of an Owner or his

invitee, or guest or other authorized occupant or visitor of such Owner, or due to the Owner's failure to comply with any of the above provisions. If the Owner is responsible for remediating any mold as set forth in this paragraph, the Owner must provide the Association with certification that the mold has been properly remediated. Furthermore, the Owner is responsible for remediating any mold on any items contained within the Unit, including, but not limited to, costs of cleaning contaminated furniture, clothing or floor coverings. Additionally, the Owner is responsible for any other costs that may be associated with mold within the Unit, including but not limited to, the cost of alternate lodging or storage until the mold is remediated.

- 2. In the event that an Owner refuses to remediate the mold in the Common Elements or any Units which was caused by the act of neglect of an Owner or his invitee, or guest or other authorized occupant or visitor of such Owner, the Board, an authorized contractor of the Association shall be entitled to reasonable access to each of the Units as may be required in connection with the mold remediation and shall have the authority to remediate such mold and to do whatever may be necessary for such purchase and all expenses in connection therewith shall be charged to and assessed against the defaulting Owner's Unit and may be collected in the same manner as assessments.
- 3. In the event that the Board, the manager or managing agent, receives information of possible mold infestation, the Board has the right, but not the obligation, to test questioned Common Elements or Unit(s). If mold is discovered and is the result of the act of negligence of an Owner or his/her invitee, or guest or other authorized occupant or visitor of such Owner, all expenses to the Association, including but not limited to, the cost of the testing shall be charged and assessed against such Owner and such assessment shall constitute a lien against the Owner's Unit and may be collected in the same manner as assessments. Also, if mold is discovered as a result of this testing, its remediation is subject to paragraph 1 or 2 above.

RULES REGARDING MAINTAINING UNITS TO PREVENT WATER LEAKS:

- 1. Each Owner must provide the name of the Owner's insurance company, agent name, address and telephone number to the Association within thirty (30) days from the date the Association requests this information (through the Board or management agent).
- Each Owner shall install steel-braided toilet tank, fill hoses with steel connectors and ball valve shutoffs at the wall. These will replace the fill hoses with plastic connectors at the toilet tank and screw-type shut off valves. This provision is not applicable if the Owner has installed braided fill hoses with steel connectors.
- 3. Each Owner shall install steel-braided washer hoses to replace plain rubber hoses provided at purchase. This provision is not applicable if the Owner has installed steel-braided hoses.
- 4. Each Owner shall install copper, steel-braided or nylon mesh tubing on ice maker refrigerators to replace plain plastic tubing. This provision is not applicable if the Owner has already installed authorized tubing as described above.
- 5. Each Owner shall install steel-braided hoses with steel connectors and ball valve shutoffs at the wall connecting any and all bathroom or kitchen sink(s) to its water supply. This provision is not applicable if the Owner has already installed authorized hoses and connectors as described above.
- 6. Each Owner shall install copper or steel-braided hoses with steel connectors on any and all dishwasher water connections. This provision is not applicable if the Owner has already installed authorized hoses and connectors as described above.
- 7. Each Owner shall replace the water heater and expansion tank if it has not been replaced since issuance of the original certificate for the Unit. In addition, each Owner will replace their water heater no less than every seven (7) years. Each Owner must provide proof of age and date of installation of the hot water heater to the Association within thirty (30) days from the date that the Association requests this information (through the Board or management agent).
- 8. If an Owner leaves a Unit vacant for more than three (3) days, the Owner shall shut off all water valves inside the Unit so as shut off water to the greatest extent possible. Without limiting the foregoing, the water valve to the water heater must be shut off and circuit breaker to the water heater must be turned off. Furthermore, if an Owner leaves a Unit vacant for more than one (1) week, the Owner shall have a person perform weekly inspections of the Unit to ensure that no water leaks or other damage has occurred to the Unit.

- 9. Each Owner must allow the Association reasonable and timely access to the Unit to make necessary inspections and repairs. Each Owner shall provide the Association with a contact person with appropriate contact information, including telephone number. Each Owner must also leave a key to their Unit with the Circle Tree staff if such Owner or tenant is unavailable for inspection and/or potential repairs by the Association.
- 10. Each Owner shall replace their water heater when such water heater reaches seven (7) years of age.
- 11. Any Owner, member of the Owner's family, Owner's resident(s), tenant(s), or guest(s) is prohibited from throwing or flushing any foreign object (i.e., any item that is not intended to enter into the sewer/plumbing system) into the sewer/plumbing system, including, but not limited to, female hygiene products, and paper products, other than toilet paper.
- 12. Each Owner shall be responsible for the repair or service upon a sewer/plumbing line exclusively serving or uniquely related to their Unit and their own expense, whether or not such need for repair or service is caused by any foreign object or the like.
- 13. In the event that any foreign object (as discussed in paragraph 11 of this section) has caused the need for repair or service upon a sewer/plumbing line that serves the Common Areas or forms part of any system serving more than one Unit, the cost of such repair shall be charged and assessed against such Owner and such assessment shall constitute a lien against the Owner's Unit.
- Any Owner or tenant who observes a leak or flood in their Unit, or a potential water leak coming from the roof, must contact the Association and report it immediately at (480) 655-0311 (after hours, use the emergency line at (480) 788-7658).
- 15. Failure by an Owner to comply with these rules will be deemed to be negligence on the part of the Owner.

SATELLITE DISH OR INTERNET SATELLITE DISH:

All satellite dishes are to be installed on the roof of the buildings and are not to be visible from the street. No dishes are ever to be attached to balconies or sides of the building walls.

Dish providers must tripod your dish on the roof; there is to be no roof penetration. Dishes are never to be mounted on parapet walls nor shall cable(s) be attached to any walkway, walkway ceiling or stairwells.

Coaxial cable must be affixed neatly to the buildings in the least obtrusive manner. Wires or cable must not drape, hang freely or be installed through windows. All cable wires or Coaxial cable wiring should exit and enter from the rear of the Unit. Cables must be painted to match the color of the building.

Dish provider must contact the Circle Tree management before and after any such installation begins and after its completion for inspection and approval. Owners are solely responsible for any damage to the roof or any part of the building structure caused by the installation of a dish. If your dish is not currently installed to these specifications, please call your dish provider and have them reinstall your dish immediately. Owners will be held ultimately responsible for any and all damages caused by the improper installation of any such Satellite Dish. Circle Tree encourages all Owners to review these rules with their tenants.

SATELLITE DISH OR INTERNET SATELLITE DISH / ROOFS:

All owners will notify the Association before any contractor enters upon the roof(s) for satellite or air-conditioning repairs. Homeowners, tenants, guests or invitees are prohibited from entering the roof unless they are licensed, bonded and insured contractor. The Association is not responsible for any personal property as a result of a roof leak. Homeowners, tenants, guests and invitees are solely responsible for carrying insurance for any loss of personal property.

SELF SHOWING OF UNITS PROHIBITED:

Owners and their agents are strictly prohibited from the self-showing of unit(s) that is for sale, for rent or for lease. In other words, an owner or their agent must be present when showing a unit that is for sale, for lease or for rent. Owners and their agents are strictly prohibited from giving gate codes or access keys to anyone who is not a resident or a homeowner. A fine of \$250.00 shall be assessed for each individual violation.

SHOPPING CARTS PROHIBITED:

Owners, tenants, guests and invitees are prohibited from bringing shopping carts onto the Association property.

TENANT LANDLORD:

The Owner of each Unit is responsible for the actions of the occupants of their Unit, including their guests, relatives, pets and tenants. Landlords must inform their tenants of the Circle Tree Crime Free Requirements and the Association's participation in the City of Mesa's TRI-STAR Crime Prevention Program. Owners and agents must also provide their tenants with a complete set of Rules & Regulations.

Landlords must include in their rental agreement a provision for the removal in the event any of the Unit's occupants commit a criminal act. A criminal act is a gross violation of the law such as theft, burglary, vandalism, robbery, sex offenses, drugs, etc.

Landlords must notify the Circle Tree management when the Unit is vacant and provide keys to the office staff in case of emergencies such as fire or flood.

Landlords must inform their tenants to call the Circle Tree emergency number (480) 788-7658 should they have a flood, fire or catastrophic loss after business hours. The Circle Tree emergency number is only to be used for maintenance emergencies such as fire, floods or catastrophic damage and not for such things as noise complaints, beehives, parking concerns etc.

Please instruct your tenants to call 911 first in the event of a fire or life threatening emergency.

Tenants and residents are encouraged to report any loud disturbances or any suspicious activity on the premises to the Mesa Police on their non-emergency number (480) 644-2211.

TRASH DISPOSAL:

To reduce insects, odors and potential rodent problems, beverage and candy wrappers will be placed in the dumpsters or with the bagged household garbage. Trash is never to be left in-front of Unit, on walkways, patios or balconies. Break down all boxes before placing them in the dumpsters. Furniture, appliances or other items too large for the dumpsters must be taken to a landfill or donated. No owner, resident, tenant or guest is to ever rummage through or remove items from dumpsters.

Any Owner, resident or tenant found leaving large items in or next to the dumpsters, or any other location on the property is subject to fines being assessed to the Unit as detailed in the FINES section of this document.

WINDOWS AND COVERINGS:

Window coverings such as blinds and curtains or drapes must be neutral in color; (i.e., beige, white, tan or brown). Window coverings are to be kept neat and clean in appearance without damage (i.e., no broken, warped or damaged blinds). Curtains must be clean and acceptable condition without stains, tears, holes, or rot.

Conforming sunshade screens are permissible and must be kept in good condition. Reflective window coverings, such as aluminum foil, reflective glass, mirrors, tint, window film or similar items are strictly prohibited as well as stained glass or any type of decals or stickers. Windows must be free from breaks, cracks and must be cleaned on a regular basis. Window screens must be in acceptable condition. Torn or damaged screens must be replaced or repaired. No reflective materials shall be installed or placed on the inside or outside of any window or door.

UNIT IDENTIFICATION NUMBERS:

All units must display a three (3) inch set of commercially-produced metal unit numbers on the front door or frame of their front door. Black, gold or silver metal colors are permissible. Stickers and/or decals are prohibited.

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David Russell, Circle Tree Community Manager

4/18/2017

Date